



# COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CA 90012

**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

March 21, 2006

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The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **RECOMMENDATION TO AWARD CONTRACT FOR SPECIAL TAX CONSULTING SERVICES (ALL DISTRICTS)(3 VOTES)**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Mayor to sign the attached Contract for Special Tax Consulting Services (Contract) with David Taussig and Associates, Inc. (Taussig), to provide special tax consulting services to the Treasurer and Tax Collector (TTC), for a term of one year, commencing on May 16, 2006, with a maximum annual contract sum not to exceed \$35,000 for the first contract year;
2. Delegate authority to the Treasurer and Tax Collector to execute future amendments to extend the Contract for a maximum of four (4) one-year renewals and six (6) month-to-month extensions at the option of the TTC in accordance with the terms of the Contract;
3. Delegate authority to the Treasurer and Tax Collector to execute amendments to increase the contract sum during a contract year by not more than: a) 15%, based on specific increases in workload; b) \$10,000 for additional services, specifically, to provide support for continuing disclosure reports, additional administrative requirements or other special projects; and/or c) \$5,000 for each additional Board approved Community Facilities District (CFD) or County Improvement District (CI) or to decrease the contract sum by not more than \$2,500 for each CFD or CI removed during a contract year;
4. Delegate authority to the Treasurer and Tax Collector to execute future amendments to modify the terms of the Statement of Work that do not materially alter the Contract, and/or to add and/or change certain terms and conditions in the Contract as required by the Board of Supervisors (Board) or

Chief Administrative Officer provided County Counsel approval is obtained prior to execution of any such amendments.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Board has created seven (7) CFDs and two (2) CIs within the boundaries of Los Angeles County in accordance with the Mello-Roos Communities Facilities Act of 1982 (Mello-Roos) and the 1915 Bond Act respectively. The Board, on behalf of various districts, has authorized bonds to be issued and repaid from certain proceeds of an annual special tax or assessment levied on and collected from the owners of property located within the respective districts. The TTC is the authority charged with the powers and duties for administering these districts. The duties related to identifying, calculating, and reporting the special tax levies have been performed under a contract with Taussig since March 1998. The current contract expires on May 15, 2006. The proposed Contract with Taussig will ensure continuation of the special tax consulting services needs of the TTC without interruption. The recommended Contract will commence on May 16, 2006, following your Board's approval.

### **Implementation of Strategic Plan Goals**

The approval of this Contract is consistent with the County's Strategic Plan Goal of Organizational Effectiveness and Fiscal Responsibility. The recommended Contract provides for ongoing special tax consulting services.

### **FISCAL IMPACT/FINANCING**

There is no impact to the General Fund as the cost of the proposed contract will be financed through the CFDs and CIs. The special tax levies have been developed to include reimbursement of administrative expenses. Therefore, there is no net County cost for this contract.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

TTC has utilized a contractor to provide special tax consulting services since 1998. The Contract contains the County's required provisions, including the requirement for the Contractor to notify and assist its employees with the Federal Earned Income Tax Credit application process, the consideration of qualified GAIN/GROW participants for employment openings, compliance with the County's Child Support Program, Jury Duty Ordinance, Safely Surrender Baby Law, and Contractor notification to County when the Contract is within six (6) months from expiration of term and/or the contractor has incurred 75% of the contract sum.

The recommended Contract with Taussig is for a term of one (1) year with four (4) one-year and six (6) month-to-month extensions, for a maximum term of five (5) years and six (6) months. The Contractor is in compliance with all Board, Chief Administrative Office and County Counsel requirements.

The Contract expressly provides that the County has no obligation to pay for expenditures by Taussig that exceed the maximum annual contract sum.

Further, Taussig will not be asked to perform services that exceed the maximum annual contract sum, scope of work, or contract dates of the Contract. Additionally, the Contract contains performance standards, including liquidated damages for substandard and/or non-performance.

The attached Contract with Taussig has been reviewed and approved as to form by County Counsel.

### **CONTRACTING PROCESS**

TTC released a Request for Proposals (RFP) on December 20, 2005. Attachment I contains a list of prospective proposers that responded positively to TTC's letter of interest that was sent to over 160 potential proposers. The potential proposer list consisted of TTC's proposers list, vendors from the County's Office of Affirmative Action Compliance Community Business Enterprise Database, and the County's online website of vendors. A notice of the RFP was posted on the County's Bid Website. A Mandatory Proposer's Conference was held on Wednesday, December 28, 2005 at the Kenneth Hahn Hall of Administration, with six (6) firms attending. Two firms responded with proposals by the January 20, 2006 due date: NBS Government Finance Group (NBS) and Taussig. The two proposals were evaluated and rated by a committee according to their responsiveness to criteria included in the RFP.

The proposal submitted by Taussig was the highest ranked, lowest cost and most responsive and responsible of the proposals evaluated. Taussig met all of the minimum RFP requirements and their proposal was complete and detailed. The proposal clearly demonstrated that Taussig has a good understanding of the scope of work to be performed and the complexity of TTC's service requirements. As required by TTC, the proposal submitted by Taussig provided a description of Taussig's qualifications, a detailed approach to provide services, a quality control plan, and cost to provide the services. Taussig has verifiable experience providing special tax consulting services required by the TTC.

Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise statistical information for Taussig and NBS is included in Attachment II. Taussig is not a certified Small Business Enterprise (SBE)/Community Based Enterprise (CBE). The recommendation of Taussig is made without regard to race, creed or color. There are no provisions for Cost of Living Adjustments (COLA) in the attached Contract. The Contract is not subject to Proposition A and therefore is exempt from the Living Wage Program (County Code Chapter 2.201).

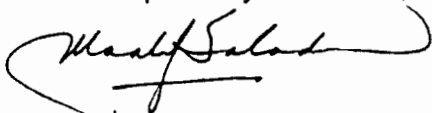
### **IMPACT ON CURRENT SERVICES**

The current Contract for special tax consulting services expires on May 15, 2006. There is no impact to County employees as these services are intermittent in nature and are currently provided under contract. Following your Board's approval, the recommended Contract will become effective on May 16, 2006 and will enable the Contractor to continue to augment TTC's current administrative requirements on behalf of the CFDs and CIs without interruption.

### **CONCLUSION**

Upon approval and execution by the Board, it is requested that the Executive Officer/Clerk of the Board return two (2) signed originals of the Contract and one (1) adopted Board letter to TTC.

Respectfully submitted,



MARK J. SALADINO  
Treasurer and Tax Collector

MJS:jab  
Board Letter DTA 3-21-06

Attachments (3)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors